

AMENDED IN SENATE JUNE 30, 2005
AMENDED IN SENATE MAY 12, 2005
AMENDED IN SENATE APRIL 28, 2005

SENATE BILL

No. 510

Introduced by Senator Hollingsworth

February 18, 2005

An act relating to workers' compensation insurance, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

SB 510, as amended, Hollingsworth. Workers' compensation: motorcycles and specialty vehicles.

Existing law requires the Insurance Commissioner to designate a rating organization as his or her statistical agent for purposes related to workers' compensation insurance rating. The Workers' Compensation Insurance Rating Bureau has been so designated by the commissioner.

This bill would require the Workers' Compensation Insurance Rating Bureau to study motorcycle and specialty vehicle dealerships ~~with the purpose of developing a rating system that integrates these dealerships into the current workers' compensation classifications applicable to automotive dealerships~~ *to investigate whether recent changes in those businesses warrant alterations in occupational classifications or the applicable rating system, and to determine whether the classifications and rating system are similar enough to automobile dealerships to warrant integration of the two rating systems.* The bill would require the study to be presented to the Legislature and the Insurance Commissioner by June 30, 2006.

The bill would declare that it is to take effect immediately as an urgency statute.

Vote: $\frac{2}{3}$. Appropriation: no. Fiscal committee: yes.

State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. (a) The Legislature finds and declares the
2 following:

3 (1) The Workers' Compensation Insurance Rating Bureau has
4 not conducted a study of the motorcycle and specialty vehicle
5 industry since 1975.

6 (2) The motorcycle and specialty vehicle industry has shown
7 tremendous growth in the past 25 years.

8 (3) Motorcycles and specialty vehicles are often manufactured
9 by automobile manufacturers, and automotive dealers have three
10 separate workers' compensation classifications.

11 (4) The motorcycle and specialty vehicle industry has
12 structured its dealerships in a manner similar to automotive
13 dealerships in the past.

14 (5) Recreational vehicle dealerships and other similar
15 dealerships have been assigned the same workers' compensation
16 classifications as automotive dealerships.

17 (b) The Workers' Compensation Insurance Rating Bureau
18 shall study motorcycle and specialty vehicle dealerships ~~with the~~
19 ~~purpose of developing a rating system that integrates these~~
20 ~~dealerships into the current workers' compensation~~
21 ~~classifications applicable to automotive dealerships. The study to~~
22 *investigate: (1) whether changes in those businesses in recent*
23 *years warrant alterations in occupational classifications and/or*
24 *the applicable rating system; (2) whether the occupational*
25 *classifications and rating system applying to automobile*
26 *dealerships are similar enough to those of the motorcycle and*
27 *specialty vehicle dealerships to warrant integration of the rating*
28 *system for the motorcycle and specialty vehicle dealerships into*
29 *the rating system for automobile dealerships. The study shall be*
30 *presented to the Legislature and to the Insurance Commissioner*
31 *no later than June 30, 2006.*

1 (c) For the purposes of subdivision (b), “motorcycle and
2 specialty vehicle dealerships” means dealerships that sell or lease
3 motorcycles, all-terrain vehicles, or off-road vehicles.

4 SEC. 2. This act is an urgency statute necessary for the
5 immediate preservation of the public peace, health, or safety
6 within the meaning of Article IV of the Constitution and shall go
7 into immediate effect. The facts constituting the necessity are:

8 In order to expedite the process of appropriately classifying
9 employees of motorcycle and specialty vehicle dealerships for
10 workers’ compensation purposes, it is necessary that this act take
11 effect immediately.